IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS Michael No Milby, Clerk of Court

HOUSTON DIVISION

IN RE:

STAGE STORES, INC.,

A Delaware Corporation,

SPECIALTY RETAILERS, INC.,

A Texas Corporation, and

SPECIALTY RETAILERS, INC. (NV),

A Nevada Corporation,

Debtors and Debtors in Possession

CASE NO. 0035078-H2-11

CASE NO. 0035079-H2-11

CASE NO. 0035080-H2-11

Chapter 11

(Jointly consolidated under

Case No. 0035078-H2-11)

ORDER GRANTING MOTION OF DEBTORS TO APPROVE COMPROMISE OF CONTROVERSY WITH PARKDALE MALL ASSOCIATES AND THE RICHARD E. JACOBS GROUP, INC. PURSUANT TO FED. R. BANKR. P. 9019(a)

CAME ON FOR CONSIDERATION on this day the Motion of Debtors to Approve Compromise of Controversy with Parkdale Mall Associates and the Richard E. Jacobs Group, Inc. Pursuant to Fed. R. Bankr. P. 9019(a) (the "Motion to Compromise"), filed by Stage Stores, Inc., Specialty Retailers, Inc., and Specialty Retailers, Inc. (NV) (collectively, the "Debtors"), in which the Debtors seek approval of a compromise with Parkdale Mall Associates and the Richard E. Jacobs Group, Inc. (collectively, the "Defendants") pursuant to Fed. R. Bankr. P. 9019(a), as set forth in the Agreement (as defined in the Motion to Compromise). Upon due consideration of the Motion to Compromise, the arguments of counsel, and the supporting documents, the Court finds that the Motion to Compromise should be granted. It is therefore

ORDERED that compromise between the Debtors and the Defendants, as set forth in the Agreement, is approved. It is further

ORDERED that the Debtors are empowered to take any action that may be necessary to implement the Agreement

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DATED: May 7, 2-00/

UNITED STATES BANKRUPTCY JUDGE

After entry return to:
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